

PENRYN COLLEGE
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



PENRYN COLLEGE
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 20
Statement on regularity, propriety and compliance	21
Statement of Trustees' responsibilities	22
Independent auditors' report on the financial statements	23 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities incorporating income and expenditure account	29
Balance sheet	30 - 31
Statement of cash flows	32
Notes to the financial statements	33 - 59

PENRYN COLLEGE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

F Bidgood (appointed 20 September 2021)
M Ransom (appointed 20 September 2021)
R Brook (appointed 20 September 2021)
C Ansell (resigned 20 September 2021)
P Walker (resigned 20 September 2021)
R Rawley (resigned 20 September 2021)
M Parsons (resigned 31 August 2021)
C Kendall (appointed 8 December 2021)

Trustees

M Parsons, Chair to 31 August 2021
P Walker, Accounting officer
J Roberts, Chair from 1 September 2021
C Ansell
R Rawley
E Brooks
G Harries, Staff Trustee
G Parekh (appointed 20 September 2021)
J Scarborough
J Woodward
K Snowdon (appointed 20 September 2021)
L Skittrall

Company registered number 07654298

Company name Penryn College

Principal and registered office Penryn College
Kernick Road
Penryn
Cornwall
TR10 8PZ

Company secretary Louisa Sanders

Accounting officer Paul Walker

Senior management team

P Walker, Headteacher
T Schouten, Deputy headteacher
B Laing, Assistant headteacher
J Harvey, Assistant headteacher
J Lushington, Assistant headteacher
F Williams, Leading practitioner
K Blackburn, Leading practitioner
D Mather, Assistant headteacher
S Wilkinson, HR manager

PENRYN COLLEGE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent auditors Griffin
Chartered Accountants
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Bankers Lloyds
11/12 Killgrew Street
Falmouth
Cornwall
TR11 3RA

Solicitors Browne Jacobson LLP
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy operates a secondary school for pupils aged 11 to 16 serving a catchment area in Penryn, Cornwall. It has a pupil capacity of 1,050 and had a roll of 1,157 in the school census in September 2020.

Structure, governance and management

a. Constitution

The Academy is a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy.

The Trustees of Penryn College are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Penryn College .

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

b. Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a Member.

c. Trustees' indemnities

In accordance with normal commercial practice the charitable company has purchased insurance to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £5,000,000 in aggregate for each policy year.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The charitable company's governing body comprises the Headteacher, a minimum of four parent Trustees and three staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the charitable company, does not exceed one third of the total number of Trustees).

The charitable company shall have the following Trustees as set out in its Articles of Association and funding agreement (please note that we are in the midst of changing the Articles due to them being filed in error whilst forming a MAT that never happened):

- up to 5 Members (at the moment we only have 3 and are looking for 2 others)
- up to 10 Trustees who are appointed by Trustees
- a minimum of 4 parent Trustees who are elected by parents of registered pupils at the charitable company;
- three staff Trustees appointed by the staff;
- up to 3 co-opted Trustees who are appointed by the governing body; and
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the board has the necessary skills to contribute fully to the charitable company's development.

e. Policies adopted for the induction and training of Trustees

All new Trustees are assigned an experienced Trustee mentor to assist them in taking on new responsibilities, and are required to attend the new Trustee training course provided by Cornwall Council.

f. Organisational structure

Penryn College has followed the organisational structure laid down in the Articles of Association that were registered with Companies House on 1 June 2011. The Trustees of Penryn College have overall responsibility for the management of the charity. Day to day management is delegated to the Headteacher and Senior Leadership Team via a scheme of delegation which is reviewed annually. The Headteacher is Accounting Officer for the charitable company.

The structure consists of three levels: the Members, the Trustees and the management team. The Members of the charitable company comprise the signatories of the memorandum, including the Chair of trustees. The Members have defined the roles of the Trustees and the committee structure. The Members meet annually to hold an Annual General Meeting (AGM).

Each Trustee is, in addition to being a Member of the full governing body, a member of either the Finance, Premises and Audit Committee or they attend meetings concerning the scrutiny of Behaviour and Personal Development, the Quality of Education, Personnel and Safeguarding.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

No Trustees of the Academy Trust receive remuneration for their roles and responsibilities. Key management personnel that are teachers have their pay set by the Personnel Committee, ratified by the Full Governing Body and this follows the recommendations made annually by the Teachers Pay Review Body. These salaries are also subject to performance related assessment in line with all other teaching staff.

Key management personnel that are not teachers have their pay set by the Personnel Committee, ratified by the Full Governing Body, in line with the Support Staff Pay and Performance Management policy.

Objectives and activities

a. Objects and aims

The principal objects and activities of the charitable company are;

- to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- to promote for the benefit of the inhabitants of Penryn and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

b. Objectives, strategies and activities

At Penryn College, every student can expect to:

- communicate effectively in English and another language;
- use and understand Mathematics;
- know how to seek, organise and use information from books and using ICT;
- develop sporting and physical skills and know about the importance of a healthy lifestyle to safeguard and enrich their future;
- develop manipulative, technical and practical abilities;
- acquire knowledge and understanding of the rapidly changing world's science and technology, history and geography, economics and industry, literature, religions and culture diversity, socio-political and environmental issues;
- achieve the best possible examination results. All students, irrespective of ability, will enter GCSEs;
- be encouraged to develop the aesthetic and creative skills and spiritual awareness;
- observe, enquire, apply skills and knowledge, to solve problems and to exercise judgement in decision making;
- receive guidance on careers and be encouraged to become a life-time learner; and
- take part in a programme of extra-curricular activities.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

It is equally important that the Trustees help parents to ensure their child:

- learns self-discipline and takes pride in their work, appearance and punctuality;
- works well with other people;
- is polite, reliable, adaptable and persevering;
- is tolerant of, and respects, other views and ways of life; and
- takes care of the environment and abides by the rules governing our community.

The 2020-21 priorities are included in detail in the section "Plans for future Periods" section.

c. Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

a. Key performance indicators

The key financial performance indicators that the Trustees of Penryn College use to govern themselves are to ensure that annual delegated funds are not being overspent and reserves are not being kept to an extreme level, over and beyond the agreed reserves policy. Also, to ensure funds are spent appropriately on the current pupils of Penryn College and provision is made to ensure facilities are well maintained for future pupils. The Academy complies with all terms and conditions of its funding agreement as well as any additional grants received from other sources.

Pupil numbers are also a key financial performance indicator as they relate to the academy's level of funding. For 2020-21 the pupil numbers were 1,157 with year 7 entry requests being over-subscribed.

Ratio of staffing costs to budget is another key performance indicator and for 2020/21 the percentage of total GAG salary costs was 82.8% when the budget was set.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Protecting the student experience during Covid

We have focussed all our energy on the quality of the student experience and the impact has been mitigated by:

- Strong teaching and learning routines when the College was in lockdown
- Exceptional pastoral support for students in completing their work
- Thorough and detailed planning to ensure that the school is and feels as safe as possible through:
 - A ring road round the outside of the building so that all Y7-10 student movements are outside including break and lunchtimes outdoors
 - All rooms set up with a 2m space between front desks and teachers
 - Rooms and desks wiped after each lesson
 - Additional cleaning all day
 - Split lunchtimes so departments have fewer staff at lunch in staff bases
 - Additional staffing support for vulnerable staff and additional cover supervisors

This has allowed us to be ambitious in our offer:

- Lessons are taught in specialist subjects in specialist classrooms by specialist teachers
- Staff own their rooms still and students move to them

Study support was safe enough to be delivered and continued to support parents who are working in the second lockdown.

In 2021-22 The School retains it's relegations.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

The charitable company's accounting period is the year to 31 August 2021.

Most of the charitable company's income is derived from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period to 31 August 2021, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The charitable company also received grants for fixed assets from the ESFA, Cornwall Council, The Football Foundation and The Wolfson Foundation. Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

Financial sustainability and consideration of going concern due to Covid

During 2020/21 the school had a loss of fundraising income totalling £73,000, based on previous year's, due to Covid. This related to Study Support, Lettings and Primary & Secondary School Partnerships income. There was also increased spend on making the college covid safe and supply cover costs.

The Penryn College budget for 2020/21 was set by the Finance, Premises and Audit Committee in accordance with the Academies Financial Handbook and submitted to the DfE by the required deadline. The final agreed budget for 2020/21 was set with a revenue deficit of £72,000.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

a. Reserves policy

Penryn College Trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately on the pupils of Penryn College and that government balances policies will always be adhered to.

Trustees are also aware of their responsibilities to ensure sufficient reserves are kept to ensure good financial practice and to maintain a safe financial future for Penryn College. The Trustees have determined that the appropriate level of free reserves should be approximately £1,000,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants for at least two months. This will also provide a cushion to deal with unexpected emergencies such as urgent maintenance. Any future financial trends are identified early by good financial planning and regular monitoring by finance staff and the Penryn College Finance, Premises and Audit Committee.

The Trustees consider the financial year end reserves position of £12,753,110 (2020: £14,401,862) comprising £14,804,538 (2020: £15,010,227) of restricted fixed asset funds, (£3,578,116) (2020: (£2,383,944)) of restricted funds and £1,526,688 (2020: £1,775,579) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to (£3,605,000) (2020: (£2,392,000)) and general restricted funds of £26,884 (2020: £8,056).

The level of free reserves held by the charitable company are £1,526,688 (2020: £1,775,579).

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The charitable company has entered into an agreement with the LGPS trustees to make additional annual contributions totalling £53,100 in addition to normal funding levels, over a period of 3 years, in order to bridge the scheme deficit.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of the charitable company closure, outstanding LGPS liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

b. Investment policy

The Trustees have the ability to invest funds of the Academy as they see fit. Currently the academy does not have any long term investments, with the cash reserves being held in the current bank account or in fixed term deposit accounts. The Trustees have no plans to make any long-term investments in the near future.

The Trustee's policy of short term investment is to have up to £300,000 invested at any one time in fixed, short term deposit accounts, each one of no more than £75,000 and for no longer than 12 months.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Principal risks and uncertainties

The Trustees use a number of charitable company policies, including health and safety, finance, safeguarding and a risk register to evaluate strategic and reputational, operational, compliance and financial risks. The Trustees have ensured that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which was submitted to the Education & Skills Funding Agency following conversion to academy status.

The governing body ensure regular review of risks through the reporting provided by the management team to the aforementioned governing body. The Finance, Premises and Audit committee meet once each half term and there are Scrutiny mornings held where Trustees look at Behaviour and Personal Development and they do this once each term. They then report to the full governing body once each term.

We have identified the following financial risk factors due to Covid:

- Catering provision: reduction of contract return due to loss of sales income
- Buildings: additional spend on safety and hygiene
- Cleaning: additional cleaning contract costs
- Staffing: additional supply cover costs
- Income: loss of income from Lettings, Study Support and Penryn Partnership provision

There are sufficient school reserves enough to cover these risks if there is no further Covid support funding.

The principal future financial risks that Penryn College currently faces are:

- maintenance of pupil numbers as funding is directly related to the number of students on roll;
- uncertainties over future funding levels and income sources;
- the impact of public sector spending constraints on the local authority; and
- financial impact of changes to the funding formula, in particular SEN funding.

Although the lack of detailed budgetary information makes long term financial planning difficult, the Trustees consider the level of funds held by the college to be sufficient to mitigate any funding risks in the short and medium term. This is assessed annually and charitable company staff and Trustees will ensure to identify any potential problems and take appropriate strategic action as early as possible to ensure that the organisation is prepared for potential funding cuts but still maintain the high levels of education standards for the pupils of Penryn College.

The charitable company has agreed a risk management strategy, a risk register and a risk management plan. These have been discussed by Trustees and include the financial risks to the charitable company. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and finance, premises and audit committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The governing body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 24 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

d. Penryn College Budget Review and Action Plan 2021/22 & 2022/23

Budget 2021/22

The 2021/22 budget has been set with a net revenue underspend of £25,000.

Budgets 2022/23 & 2023/24

School Budget Share income is based on the 2021/22 per pupil rate with a 1% year on year increase and has been adjusted for the actual NOR for the October 2021 census (for 2022/23 budget) and the predicted NOR for the October 2022 census (for 2023/24 budget). Salary levels remain the same as for 2021/22 for these budgets and include inflationary increases across teaching staff and non-teaching staff resulting in a poor projection for 2022/23.

The forecast budgets for 2022/23 and 2023/24 are currently showing a deficit however the Trustees will be reviewing key budget areas during this year in order to maximise resources and increase fundraising to enable a balanced budget to be set and any savings will continue through to 2023/24 budget

The following budgets areas will be reviewed during 2021/22 for best value:

- Supply Cover Budgets: refining a balance of in house cover supervisors on contract and external agency supply.
- Invigilators: continue to train current staff to provide invigilating in-house
- Lunchtime Supervisors: review of the current lunchtime provision with regard to cost effectiveness
- Buildings Maintenance Budgets: contracts and frequently used suppliers will be reviewed for these budgets to ensure that best value is adhered to
- Outdoor Education: review of activities provided
- PE: inventory of current equipment, best value for frequently used suppliers and review of activities
- PE Transport: bought in travel to fixtures to be reviewed alongside our current minibus contracts
- Study Support and Lettings: Business Plans to be produced for Study Support and Community Lettings in order to maximise income in these areas and for them to be cost effective.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Income:

- School Budget Share: In order to support the Local Authority in previous years Penryn College temporarily increased the operational capacity to 260. There was a large year group being year 11 students who left in July 2021. As a result of reverting back to the 224 operational capacity for 2021/22 this was reflected in the reduction in pupil numbers of around 20 for 2022/23 budget. Projections indicate that there will be an increase of 14 pupils by 2023/24 budget.
- ARB funding: Places have increased from 25 to 31 and will continue at 31 to be topped up by Local Authority funding. Penryn College have a very successful ARB provision which has been extensively refurbished
- Primary Partnership SLA's: There is a well-established partnership with local Primary Schools where bought in services are provided by Penryn College such as EWO/Music Delivery/MFL. Included in the budget is the staff that provide these services so it is assumed that they will either return to pre-Covid levels by next year or the staffing budgets will be reduced accordingly if not
- Sports Competition Premium: There is a well established Partnership with other Secondary Schools in Cornwall who contribute each year to the school's School Games Organiser who arranges competitions, sharing the costs across the Partnership.
- Lettings income: The last two years have seen a loss of income for community lettings due to Covid. There is currently a review of the booking system taking place and a Business Plan will be produced in order to maximise income generation.

Summary

Trustees are confident that they will be in a position to make the necessary savings over the next two years and to generate further income in order to bring the budget for 2022/23 into balance. The budget setting process has always been conservative and the school has strong monitoring in place and challenging of the budget by Trustees which ensures savings are made throughout the year. This is evident by the savings the school has made on revenue budgets over the last three years.

Plans for future periods

We want to develop young people who are ready to make a positive contribution to their community. We want them to be polite, compassionate, considerate, and care for those around them. Our students will have the skills and confidence to communicate well and to organise themselves effectively. They will work independently, work as part of a team, and be able to lead others. We want students who can read fluently, write, and be numerate. Our students will have a depth of knowledge in a broad range of subjects and study skills. They will know how to keep themselves happy, healthy, and safe. They need to be able to play their part in a modern democracy, to accept a range of different views, and to use their power to challenge the things that are not right in an appropriate way. We want their experience in school to be fun, engaging and inspiring. They need to leave us knowing there are even better times ahead, and confident that this is just the start.

As staff and Trustees we want to enjoy what we are doing, to be able to focus on the most important aspects of our jobs, and to know we are making a difference. We want to work in an environment where professional expectations of ourselves are high, but the support is even higher. We want the parents and the community to see their young people shine in whatever field they choose.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods (continued)

5 Year Plan Objectives: (Year 3)

- To build our core values of high expectations, care, support professionalism and leadership at all levels.
- To deliver a broad interlinked curriculum that engages and inspires students, and results in success across a broad range of qualifications and activities.
- Students are taught in specialist facilities by highly skilled specialist teachers.
- To work with other schools, the Penryn Partnership, and with the LA, to learn more so we improve the outcomes of Penryn College students and to make a contribution to the wider education system.
- Students understand their impact on one another and world issues such as climate change and diversity.
- Manage resources carefully so that every second and every penny counts.

2020-22 Outcomes

Students will achieve exceptional progress (0.5) because we will:

- Improve the experience of students most likely to underachieve: LPA, DAP, Boys particularly HPA, Able, SEN.
- Ensure all our LPA students can read, write, be numerate, and to be socially adept.

2020-22 Curriculum

Students will make exceptional progress because they access:

- Programmes of study and assessment in each subject that challenge, inspire and are refined for a range of learners and qualifications, and a particular focus on our vocational qualifications.
- Enable students to know what an 'expert' looks like in each subject and create opportunities so that students can identify, develop and apply common skills and content across subject areas.
- Personalised programmes of study that meet the needs of the learner particularly those with high needs.
- Review our reading programme to ensure all students are able access the curriculum

In this curriculum they will have opportunities for PERSONAL DEVELOPMENT and they will access:

- Opportunities to lead and to make their voice heard in the college and the community.
- Lifestyle, Careers, SMSC and study support curriculum and character education, that gives them the skills to be safe, health, happy and make a positive contribution.

2020-22 Teaching

Students will make exceptional progress because teachers and tutors:

- Sequence engaging and exciting learning in ways that builds upon learning in other subjects, deepens students' knowledge, and develops their subject terminology, and design lessons and assessments to help students to remember the content and interleave their knowledge into larger ideas.
- Use a range of strategies to check students' understanding, identifying misconceptions accurately and provide clear direct feedback, adapting lessons to meet the needs of learners.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods (continued)

2020-22 Behaviour and Attitude

Students' behaviour will continue to improve because:

- Staff are highly skilled in building relationships and have a knowledge of students so that they can lead behaviour in a way which is most effective for the individual, particularly high needs students and students with ASD.
- Staff have confidence in strong behaviour systems, including acknowledging and rewarding good behaviour and apply them professionally and effectively.
- Students know what good behaviour looks like play their part in maintaining our positive culture and work with one another and staff to ensure behaviour is excellent.
- Our attendance will improve to 95.5%/ PA 10% by the end of 2022.

2020-22 Leadership

We work carefully to:

- Ensure a sharp focus upon staff and student well being.
- Develop our CPD programme so that it has opportunities for improving tutoring, support staff, leadership teaching and prospective coaches.
- Review the structure and relationship of PS and Tutor Time.
- Create our "Changing world plan" with community groups that includes climate change and diversity.
- Develop our provision for the most vulnerable and students with ASD.
- Learn lessons from the adaptations we have made to deal with Covid and make a transition back to normality in better shape than before.

Impacts due to Covid

Covid has had an impact on the budget as the adaptations to the building, additional staff, reduction in Primary delivery and the shutdown of our lettings programme has resulted in a loss to our budget. The extreme focus on new operational and safety concerns has also resulted in less forward momentum in introducing new strategies to the College and far more on keeping systems tight and staff morale as high as possible. Formal observations have not been possible and our CPD and staff training has also been deferred until Christmas.

The major impact has been on the "life" in the school. We have worked so hard to keep it all as normal as possible but virtual parents evening and Year 10 and 11 open evenings are not the same. Tight planning kept the opportunity for Year 6 parents to visit the school but all other events and concerts have had to be cancelled. This has reduced the chance for students to experience the full breadth of education.

The final impact has been on staff. They are absolute heroes in this situation each one of them comes into school knowing the very real risk to their own health. Staff attendance outside of Covid related incidences is exceptionally high and there is a real sense of doing their absolute best. We need to continue to look for opportunities to reassure, support and keep things simple for staff.

PENRYN COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021


Disclosure of information to auditors

In so far as the Trustees are aware:

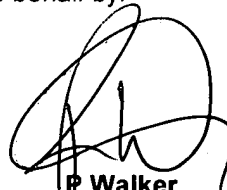
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Griffin Chartered Accountants be reappointed as auditor of the charitable company will be put to the Members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:



J Roberts
(Chair of Trustees)


P Walker
(Accounting officer)

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Penryn College has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Penryn College and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
P Walker, Accounting Officer	4	4
J Roberts, Chair from 1 September 2021	4	4
E Brooks	4	4
R Rawley	4	4
G Harries, Staff Trustee	3	4
C Ansell	4	4
M Parsons, Chair to 31 August 2021	3	4
M Ranson	4	4
L Skittrall	4	4
J Scarborough	2	4
J Woodward	4	4

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Regularly reviewing the functions of the College, challenging how and why services are provided and have set targets to improve performance.
- Monitoring outcomes and compare performance against similar schools.
- Promoting fair competition through tenders and quotations ensuring that goods and services are secured in the most economic and efficient way.
- Ensuring that resources are used effectively to meet the needs of the pupils.
- Planning for future placement costs of large sports facilities and ICT hardware.
- Questioning recommendations with or without financial implications to ensure the most appropriate use of school funds to benefit pupils.

The following examples demonstrate the college's commitment to value for money:

STEAM Classrooms refurbishment

The STEAM refurbishment project has been ongoing for the last three years with this year seeing the final alterations and refurbishment taking place. Several options were considered for the STEAM classrooms, Physics Lab and Food Tech Provision and the following options were decided upon:

- Relocation of the existing Food Tech room, construction of a new Physic Lab and separate storage rooms.
- Construction of a new project room within the central corridor area to showcase STEAM developments and equipment.
- General upgrade of the finishes, walls, floor and ceilings to the main STEAM corridor.
- Construction of a new STEAM staff base in a toilet/store space behind the STEAM 1 Classroom.
- Upgrade and configuration of the DT machine dust extraction system within the STEAM 1 & 2 classrooms.

We invited three firms to submit prices for this work with the most competitive tender being approved by Trustees. The original contract price was £274,196 and actual final contract valuation came in at £268,572. There were also further savings made on professional fees and furniture, so an overall saving on the final project cost of £28,000.

Funding of £92,000 was secured from the Wolfson Foundation last year and the first claim of £52,271 was submitted in November 2020 for work carried out during Summer 2020, so the final claim will now be made. Funding of £60,000 was also secured from Cornwall Council for the extension of our ARB provision. The balance of the project is being funded from reserves. This has enabled the school to provide much needed bespoke classrooms in order to deliver the STEAM curriculum and extended the classroom provision for our ARB students.

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

iPad Replacement

Penryn College has utilized various Apple devices as a key part of its teaching and learning for the students. Due to the continual updating of the Apple operating system we found that a large proportion of our Apple iPad Mini devices could no longer be maintained with the latest applications. It was therefore necessary to procure an experienced supplier to work in collaboration with to supply a fleet of replacement new devices at a competitive cost.

When planning the project our initial estimate costs were £308,990 however costs were reduced by:

- utilizing refurbished devices for staff
- carrying out deployment and set up costs in house
- purchasing less devices to keep as spares
- keeping the repairs in house.

Procurement was carried out via the Central Government CPC Framework and three tenders were reviewed by Trustees. The most competitive tender was approved which included a buyback of our existing iPads and a contingency of £5,000. The final cost of the project totalled £265,152, so a budget saving of £43,838.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Penryn College for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the finance, premises and audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have decided to make use of the Local Authority's Financial Assurance Service.

The Financial Assurance Service includes giving advice on financial matters and performing a range of checks on the academy's financial systems, controls, transactions and risks. On a termly basis the Local Authority Financial Assurance Service provides a comprehensive report which is reviewed by the Finance, Premises and Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees. The Financial Assurance Service also provides an annual summary report for the committee outlining the areas to be reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The Local Authority Financial Assurance Service delivered their schedule of work as planned and no significant issues were raised.

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

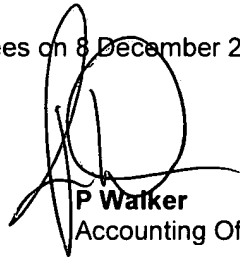
- the work of the Local Authority Financial Assurance Services
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the senior management team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:



J Roberts
Chair of Trustees



P Walker
Accounting Officer

PENRYN COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Penryn College I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



P. Walker
Accounting Officer
Date: 8 December 2021

PENRYN COLLEGE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:



J Roberts
(Chair of Trustees)

PENRYN COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE**

Opinion

We have audited the financial statements of Penryn College (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

PENRYN COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

PENRYN COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

PENRYN COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)**

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's Members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Chartered Accountants

Registered Auditors

Silverdown Office Park

Exeter Airport Business Park

Exeter

EX5 2UX

13 December 2021

PENRYN COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENRYN
COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 May 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Penryn College during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Penryn College and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Penryn College and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Penryn College and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Penryn College's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Penryn College's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENRYN COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Misty Nickells FCA (Senior statutory auditor)
Reporting Accountant

Griffin
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date: 13 December 2021

PENRYN COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Income from:						
Donations and capital grants	3	29,349	509	550,686	580,544	498,466
Other trading activities		103,289	-	-	103,289	132,829
Investments	6	1,614	-	-	1,614	4,079
Charitable activities		40,665	7,397,644	-	7,438,309	7,203,943
Total income		174,917	7,398,153	550,686	8,123,756	7,839,317
Expenditure on:						
Raising funds		14,859	68,285	-	83,144	82,603
Charitable activities		408,949	7,945,726	520,689	8,875,364	8,060,968
Total expenditure		423,808	8,014,011	520,689	8,958,508	8,143,571
Net (expenditure)/income		(248,891)	(615,858)	29,997	(834,752)	(304,254)
Transfers between funds	17	-	235,686	(235,686)	-	-
Net movement in funds before other recognised gains/(losses)		(248,891)	(380,172)	(205,689)	(834,752)	(304,254)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(814,000)	-	(814,000)	(133,000)
Net movement in funds		(248,891)	(1,194,172)	(205,689)	(1,648,752)	(437,254)
Reconciliation of funds:						
Total funds brought forward		1,775,579	(2,383,944)	15,010,227	14,401,862	14,839,116
Net movement in funds		(248,891)	(1,194,172)	(205,689)	(1,648,752)	(437,254)
Total funds carried forward		1,526,688	(3,578,116)	14,804,538	12,753,110	14,401,862

The Statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 21 - 48 form part of these financial statements.

PENRYN COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 07654298

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	13	14,679,768	14,663,356
		<u>14,679,768</u>	<u>14,663,356</u>
Current assets			
Debtors	14	454,745	771,846
Cash at bank and in hand		1,614,003	1,944,595
		<u>2,068,748</u>	<u>2,716,441</u>
Creditors: amounts falling due within one year	15	(390,406)	(585,935)
Net current assets		<u>1,678,342</u>	<u>2,130,506</u>
Total assets less current liabilities		<u>16,358,110</u>	<u>16,793,862</u>
Net assets excluding pension liability		<u>16,358,110</u>	<u>16,793,862</u>
Defined benefit pension scheme liability	24	(3,605,000)	(2,392,000)
Total net assets		<u><u>12,753,110</u></u>	<u><u>14,401,862</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	14,804,538	15,010,227
Restricted income funds	17	26,884	8,056
		<u>14,831,422</u>	<u>15,018,283</u>
Restricted funds excluding pension asset	17	14,831,422	15,018,283
Pension reserve	17	(3,605,000)	(2,392,000)
Total restricted funds	17	<u>11,226,422</u>	<u>12,626,283</u>
Unrestricted income funds	17	<u>1,526,688</u>	<u>1,775,579</u>
Total funds		<u><u>12,753,110</u></u>	<u><u>14,401,862</u></u>

The financial statements on pages 29 to 59 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

PENRYN COLLEGE
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021



J Roberts

(Chair of Trustees)

The notes on pages 33 to 59 form part of these financial statements.

PENRYN COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	As restated 2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(190,819)	49,594
Cash flows from investing activities	20	(139,773)	(269,671)
Change in cash and cash equivalents in the year		(330,592)	(220,077)
Cash and cash equivalents at the beginning of the year		1,944,595	2,164,672
Cash and cash equivalents at the end of the year	21, 22	<u>1,614,003</u>	<u>1,944,595</u>

The notes on pages 33 to 59 form part of these financial statements

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue to operate for the foreseeable future. The Trustees have considered a number of factors in arriving at this conclusion. The Academy has a strong revenue reserves position at the 31 August 2021 of £1,553,572, with £1,614,003 held of cash at this date. A detailed budget for 2021/22 has been prepared and updated to include the impact of COVID-19, such as additional cleaning costs and a provision for supply if existing staff are unable to cover for colleagues needing to isolate. This budget for 2021/22 is forecasting a small surplus after taking these additional costs into account. A 3-year budget has also been prepared which shows deficits in later years but due to the level of reserves held by the Academy, it will still be in a strong reserves position. This will leave the Trust in a strong position to continue to investment in the site and still continue to operate within the Reserves policy.

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years for land, 50 years for buildings (both on a straight line basis)
Furniture and equipment	- 20% per annum on cost
Computer equipment	- 33% per annum on cost

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	29,349	509	-	29,858
Capital Grants	-	-	550,686	550,686
	<u>29,349</u>	<u>509</u>	<u>550,686</u>	<u>580,544</u>

	<i>Unrestricted funds 2020 £</i>	<i>As restated Restricted fixed asset funds 2020 £</i>	<i>As restated Total funds 2020 £</i>
Donations	26,444	116,598	143,042
Capital grants	-	355,424	355,424
	<u>26,444</u>	<u>472,022</u>	<u>498,466</u>

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's education

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	6,034,291	6,034,291
Other DfE/ESFA grants			
Teacher pay and pension	-	307,586	307,586
Pupil premium	-	260,347	260,347
Other DfE/ESFA grants	-	44,033	44,033
	-	6,646,257	6,646,257
Other Government grants			
Local authority grants	-	485,855	485,855
Other government grants	-	40,535	40,535
	-	526,390	526,390
Other incoming resources	40,665	-	40,665
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	95,280	95,280
Other DfE/ESFA COVID-19 funding	-	129,717	129,717
	-	224,997	224,997
	40,665	7,397,644	7,438,309

During the year, the Academy received £95,280 of catch-up premium which was all fully spent at 31 August 2021. This income was predominantly used for additional core teaching staff and additional cover supervisor hours to enable the Academy to run the school for key workers during the pandemic. The funding was also used to fund mental health training and the summer term activity days.

The Academy received £43,500 for mass testing which covered the costs of the COVID-19 testing scheme and this was fully spent at the year end.

A further £13,978 was also received for Emergency Support. This was used for additional cleaning costs and hygiene equipment and has been fully spent at 31 August 2021.

Penryn College received £72,239 of income for additional Free School Meal expenditure incurred from the pandemic, and this was fully spent at the year end.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's education (continued)

	<i>Unrestricted funds 2020 £</i>	<i>As restated Restricted funds 2020 £</i>	<i>As restated Total funds 2020 £</i>
DfE/ESFA grants			
General annual grant (GAG)	-	5,730,576	5,730,576
Other DfE/ESFA grants			
Teacher pay and pension	-	305,998	305,998
Pupil premium	-	250,107	250,107
Other DfE/ESFA Grants	-	78,922	78,922
	-	6,365,603	6,365,603
Other Government grants			
Local authority grants	-	390,701	390,701
Special education projects	-	59,139	59,139
	-	449,840	449,840
Other incoming resources	337,775	-	337,775
COVID-19 additional funding (DfE/ESFA)			
Coronavirus exceptional support	-	50,725	50,725
	-	50,725	50,725
	337,775	6,866,168	7,203,943

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Academy Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Hire of facilities	18,523	18,523
Other income	84,766	84,766
	<u>103,289</u>	<u>103,289</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Hire of facilities	44,151	44,151
Other income	88,678	88,678
	<u>132,829</u>	<u>132,829</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Interest received	<u>1,614</u>	<u>1,614</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Interest received	<u>4,079</u>	<u>4,079</u>

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	68,285	-	14,859	83,144
Academy's educational operations:				
Direct costs	4,656,489	224,053	773,340	5,653,882
Allocated support costs	1,778,717	1,061,580	381,185	3,221,482
	<u>6,503,491</u>	<u>1,285,633</u>	<u>1,169,384</u>	<u>8,958,508</u>
	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	79,527	-	3,076	82,603
Academy's educational operations:				
Direct costs	4,503,492	-	785,738	5,289,230
Allocated support costs	1,430,181	1,051,576	289,982	2,771,739
	<u>6,013,200</u>	<u>1,051,576</u>	<u>1,078,796</u>	<u>8,143,572</u>

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational operations	5,653,882	3,221,482	8,875,364

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Educational operations	5,289,230	2,771,739	8,060,969

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	4,631,153	4,457,900
Depreciation	378,280	-
Educational supplies	174,332	107,147
Examination fees	104,409	95,458
Staff development	16,760	23,320
Other costs	62,075	485,355
Supply teachers	25,336	45,591
Recruitment and other staff costs	10,092	-
Security and transport	30,848	-
Technology costs	79,053	74,459
Professional services	141,544	-
	5,653,882	5,289,230

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	43,000	37,000
Staff costs	1,778,717	1,430,182
Depreciation	142,409	496,874
Other costs	7,497	126,573
Maintenance of premises and equipment	656,446	153,579
Cleaning	161,005	170,872
Rent and rates	44,032	43,382
Heat and light	115,748	117,475
Insurance	28,457	27,517
Security and transport	12,809	41,030
Catering	89,660	67,861
Technology costs	56,167	55,496
Office overheads	47,917	-
Legal and professional	30,418	-
Bank interest and charges	561	-
Governance costs	6,639	3,898
	3,221,482	2,771,739

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £	2020 £
Operating lease rentals	12,222	17,912
Depreciation of tangible fixed assets	520,689	496,874
Net interest on defined pension liability	43,000	37,000
Fees paid to auditors for:		
- audit	3,975	3,725
- other services	4,250	3,425

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	4,694,595	4,342,924
Social security costs	417,673	393,520
Pension costs	1,365,887	1,231,165
	<u>6,478,155</u>	<u>5,967,609</u>
Agency staff costs	25,336	45,591
	<u><u>6,503,491</u></u>	<u><u>6,013,200</u></u>

b. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2021 No.	2020 No.
Teachers	75	78
Administration and support	97	88
Management	9	8
	<u>181</u>	<u>174</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	66	68
Administration and support	73	64
Management	9	8
	<u>148</u>	<u>140</u>

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £703,832 (2020 - £611,954). The 2020 figure has been restated to include the correct staff as per the current year key management personnel disclosed.

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£	£
P Walker, Accounting officer	Remuneration	85,000 - 90,000	80,000 - 85,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000
G Harries	Remuneration	25,000 - 30,000	
	Pension contributions paid	0 - 5,000	

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £313).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £222 (2020 - £223). The cost of this insurance is included in the total insurance cost.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	17,339,362	769,311	718,022	18,826,695
Additions	134,579	48,041	354,481	537,101
At 31 August 2021	<u>17,473,941</u>	<u>817,352</u>	<u>1,072,503</u>	<u>19,363,796</u>
Depreciation				
At 1 September 2020	3,155,941	418,881	588,517	4,163,339
Charge for the year	308,402	100,066	112,221	520,689
At 31 August 2021	<u>3,464,343</u>	<u>518,947</u>	<u>700,738</u>	<u>4,684,028</u>
Net book value				
At 31 August 2021	<u>14,009,598</u>	<u>298,405</u>	<u>371,765</u>	<u>14,679,768</u>
At 31 August 2020	<u>14,183,421</u>	<u>350,430</u>	<u>129,505</u>	<u>14,663,356</u>

14. Debtors

	2021 £	As restated 2020 £
Due within one year		
Trade debtors	14,653	12,711
Other debtors	24,138	29,206
Prepayments and accrued income	401,400	658,448
Tax recoverable	14,554	71,481
	<u>454,745</u>	<u>771,846</u>

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	65,168	304,963
Other taxation and social security	103,201	93,514
Other creditors	116,225	101,807
Accruals and deferred income	105,812	85,651
	390,406	585,935
	2021	2020
	£	£
Deferred income at 1 September 2020	26,514	79,102
Resources deferred during the year	30,685	26,514
Amounts released from previous periods	(26,514)	(79,102)
	30,685	26,514

Included within deferred income of £30,685 (2020: £26,514) are the following balances: £Nil (2020: £13,883) in respect of deposits received for courses Penryn College are organising; £Nil (2020: £2,632) in respect of Cornwall Council MFEP funding; £Nil (2020: £4,000) in respect of Secondary Schools Sports Contributions; £Nil (2020: £6,000) in respect of Girls Football School Partnership Funding; £4,000 (2020: £Nil) for School Games Organiser Funding; £1,000 (2020: Nil) in respect of Kit4Kids funding and £25,685 (2020: £Nil) for the DfE rates claim.

16. Prior year adjustments

The accounts have been restated to incorporate the impact of an omission of accrued income for capital works. The change has resulted in the restricted fixed asset funds, income from donations and capital grants and accrued income included within debtors as at 31 August 2020 increasing by £332,102.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	1,775,579	174,917	(423,808)	-	-	1,526,688
Restricted general funds						
General Annual Grant	-	5,958,324	(6,194,010)	235,686	-	-
Pupil premium	-	260,347	(260,347)	-	-	-
Catch up premium	-	95,280	(95,280)	-	-	-
Other DfE / ESFA COVID-19 funding	-	129,717	(129,717)	-	-	-
Other DfE/ESFA grants	-	427,586	(427,586)	-	-	-
Other government grants	8,056	526,390	(507,562)	-	-	26,884
Donations	-	509	(509)	-	-	-
Pension reserve	(2,392,000)	-	(399,000)	-	(814,000)	(3,605,000)
	(2,383,944)	7,398,153	(8,014,011)	235,686	(814,000)	(3,578,116)
Restricted fixed asset funds						
Inherited on conversion	13,985,234	-	(301,663)	-	-	13,683,571
DfE group capital grants	75,703	23,524	(32,691)	-	-	66,536
Capital expenditure from GAG	462,624	25,000	(134,725)	194,626	-	547,525
Local authority funding	21,966	-	(16,977)	-	-	4,989

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Sports England funding	16,000	-	(8,000)	-	-	8,000
Football Foundation Grant	116,598	313,714	-	(430,312)	-	-
School led projects	332,102	60,000	(10,143)	-	-	381,959
The Wolfston Foundation	-	92,000	(4,462)	-	-	87,538
Laptop grant	-	36,448	(12,028)	-	-	24,420
	<u>15,010,227</u>	<u>550,686</u>	<u>(520,689)</u>	<u>(235,686)</u>	<u>-</u>	<u>14,804,538</u>
Total Restricted funds	<u>12,626,283</u>	<u>7,948,839</u>	<u>(8,534,700)</u>	<u>-</u>	<u>(814,000)</u>	<u>11,226,422</u>
Total funds	<u>14,401,862</u>	<u>8,123,756</u>	<u>(8,958,508)</u>	<u>-</u>	<u>(814,000)</u>	<u>12,753,110</u>

The specific purposes for which the funds are to be applied are as follows:

RESTRICTED FUNDS

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Funding received from the ESFA to cater for disadvantaged pupils.

Catch up premium - This represents funds received in the year for the additional costs from the COVID-19 pandemic.

Other DfE/ESFA COVID-19 funding - This fund represents the additional free school meal funds, emergency support and the mass testing income that the academy received in the year.

Other DfE/ESFA grants - This includes, teacher pay and pension grants, sports funding, rates relief and start up grants.

Other government grants - Funding received by the Local Authority to fund further support for students with additional needs.

Restricted donations - Includes monies donated to the school.

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

Pension reserve - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

RESTRICTED FIXED ASSET FUNDS

Fixed assets inherited on conversion represent the building and equipment donated to the school from the Local Authority on conversion to an academy.

DfE group capital grants - Includes Devolved Formula Capital and Little Extras funding from the ESFA to cover the maintenance and purchase of the academy's assets.

Capital Expenditure from GAG - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

Local authority funding - This includes income from the local authority income that has been received for the purposes of purchasing fixed assets.

Sports England funding - This represents funds received from Sports England to purchase fixed assets.

Football Foundation Grant - This represents funds received from the Football Foundation for the refurbishment of the astro turf pitches.

School led projects - This represents funds received from the local authority specifically for School led projects in the year.

The Wolfson Foundation - The represents funds received from the Wolfson Foundation for the funding of fixed assets purchased by the school.

Laptop grant - This income stream includes laptops donated by the government during COVID.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2019 £</i>	<i>As restated Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	1,939,556	501,127	(82,603)	(582,501)	-	1,775,579
Restricted general funds						
General Annual Grant	-	5,730,576	(6,024,558)	293,982	-	-
Other DfE / ESFA grants	-	635,027	(635,027)	-	-	-
Other government grants	45,000	500,565	(537,509)	-	-	8,056
Pension reserve	(1,892,000)	-	(367,000)	-	(133,000)	(2,392,000)
	<u>(1,847,000)</u>	<u>6,866,168</u>	<u>(7,564,094)</u>	<u>293,982</u>	<u>(133,000)</u>	<u>(2,383,944)</u>
Restricted fixed asset funds						
Inherited on conversion	14,327,730	-	(342,496)	-	-	13,985,234
DfE group capital grants	89,429	23,322	(37,048)	-	-	75,703
Capital expenditure from GAG	264,108	-	(90,003)	288,519	-	462,624
Local authority funding	41,293	-	(19,327)	-	-	21,966

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>As restated Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Sports England funding	24,000	-	(8,000)	-	-	16,000
Football Foundation Grant	-	116,598	-	-	-	116,598
School led projects	-	332,102	-	-	-	332,102
	<u>14,746,560</u>	<u>472,022</u>	<u>(496,874)</u>	<u>288,519</u>	<u>-</u>	<u>15,010,227</u>
Total Restricted funds	<u>12,899,560</u>	<u>7,338,190</u>	<u>(8,060,968)</u>	<u>582,501</u>	<u>(133,000)</u>	<u>12,626,283</u>
Total funds	<u>14,839,116</u>	<u>7,839,317</u>	<u>(8,143,571)</u>	<u>-</u>	<u>(133,000)</u>	<u>14,401,862</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	14,679,768	14,679,768
Current assets	1,917,094	26,884	124,770	2,068,748
Creditors due within one year	(390,406)	-	-	(390,406)
Provisions for liabilities and charges	-	(3,605,000)	-	(3,605,000)
Total	<u>1,526,688</u>	<u>(3,578,116)</u>	<u>14,804,538</u>	<u>12,753,110</u>

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>As restated Restricted fixed asset funds 2020 £</i>	<i>As restated Total funds 2020 £</i>
Tangible fixed assets	-	-	14,663,356	14,663,356
Current assets	2,361,514	8,056	346,871	2,716,441
Creditors due within one year	(585,935)	-	-	(585,935)
Provisions for liabilities and charges	-	(2,392,000)	-	(2,392,000)
Total	1,775,579	(2,383,944)	15,010,227	14,401,862

19. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	<i>As restated 2020 £</i>
Net expenditure for the year (as per Statement of financial activities)	(834,752)	(304,254)
Adjustments for:		
Depreciation	520,689	496,874
Capital grants from DfE and other capital income	(550,686)	(139,920)
Interest receivable	(1,614)	(4,079)
Defined benefit pension scheme cost less contributions payable	356,000	330,000
Defined benefit pension scheme finance cost	43,000	37,000
Decrease/(increase) in debtors	472,073	(399,947)
(Decrease)/increase in creditors	(195,529)	33,920
Net cash (used in)/provided by operating activities	(190,819)	49,594

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Cash flows from investing activities

	2021	<i>As restated</i> 2020
	£	£
Dividends, interest and rents from investments	1,614	4,079
Purchase of tangible fixed assets	(500,653)	(413,670)
Capital grants from DfE Group	23,524	23,322
Capital funding received from sponsors and others	335,742	116,598
Net cash used in investing activities	(139,773)	(269,671)

21. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	1,614,003	1,944,595
Total cash and cash equivalents	1,614,003	1,944,595

22. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	1,944,595	(330,592)	1,614,003
	1,944,595	(330,592)	1,614,003

23. Capital commitments

	2021	2020
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	219,331	-

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £115,765 were payable to the schemes at 31 August 2021 (2020 - £101,806) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £727,058 (2020 - £652,337).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £357,000 (2020 - £322,000), of which employer's contributions totalled £277,000 (2020 - £251,000) and employees' contributions totalled £ 80,000 (2020 - £71,000). The agreed contribution rates for future years are 5.5 per cent for employers and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	2.9	2.2
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7
Commutation of pensions to lump sums relating to pre-April 2008 services	40	40
Commutation of pensions to lump sums relating to post-April 2008 services	70	70

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.4
Females	24.1	23.6
<i>Retiring in 20 years</i>		
Males	22.8	22.3
Females	25.8	25.1

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(196)	(153)
Discount rate -0.1%	196	153
Mortality assumption - 1 year increase	337	-
Mortality assumption - 1 year decrease	(337)	-
CPI rate +0.1%	186	144
CPI rate -0.1%	(186)	(144)
Salary increase rate + 0.1%	7	7

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2021	2020
	£	£
Equities	2,794,000	2,223,000
Corporate bonds	1,686,000	1,429,000
Property	289,000	238,000
Other	48,000	80,000
Total market value of assets	4,817,000	3,970,000

The actual return on scheme assets was £615,090 (2020 - £-59,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021	2020
	£	£
Current service cost	633,000	581,000
Interest income	(70,000)	(70,000)
Interest cost	113,000	107,000
Total amount recognised in the Statement of financial activities	676,000	618,000

PENRYN COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24. Pension commitments (continued)

Changes in the present value of the defined benefit obligations were as follows:

	2021 £	2020 £
At 1 September	6,362,000	5,668,000
Current service cost	633,000	581,000
Interest cost	113,000	107,000
Employee contributions	80,000	71,000
Actuarial losses	1,318,000	4,000
Benefits paid	(83,000)	(69,000)
At 31 August	8,423,000	6,362,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	3,970,000	3,776,000
Interest income	70,000	70,000
Actuarial gains/(losses)	504,000	(129,000)
Employer contributions	277,000	251,000
Employee contributions	80,000	71,000
Benefits paid	(83,000)	(69,000)
At 31 August	4,818,000	3,970,000

25. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	14,271	14,518
Later than 1 year and not later than 5 years	25,245	37,220
	39,516	51,738

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a Member.

27. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account:

Daughter of a Trustee: Transactions totalling £35,000 - £40,000 (2020: £55,000 - £60,000) relating to employment as a teacher (including employer's pension contributions) took place in the year. There were £Nil amounts outstanding at 31 August 2021 (2020: £Nil). In entering into the transaction the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

Wife of the Accounting Officer: Transactions totalling £55,000 - £60,000 (2020: £55,000 - £60,000), relating to employment as a teacher (including employer's pension contributions) took place in the year. There was £Nil outstanding at 31 August 2021 (2020: £Nil). In entering into the transaction the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.